J.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

November 28, 2001

David Penney Box 312 Beaver, Utah 84713

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Fantasy Land Jasper

Project, S/027/096, Millard County, Utah

Dear Mr. Penney:

Thank you for your Notice of Intention to Commence Small Mining Operations received November 9, 2001. The initial permit application fee for this project was received by the Division on July 16, 2001. The Fantasy Land Jasper project is located in the NE1/4 of the NE1/4 of Section 4, T25S, R8W, Millard County, Utah. This project is a break off from the Little Spot project, file number S/027/024 (UTU-070660). The BLM case file number for this new notice is unknown at this time.

The application is considered complete and no additional information is required by the Division at this time. You may commence with your mining operations as outlined, provided you have satisfied and received written acceptance from the Bureau of Land Management as this project is located on federal lands.

In accordance with rule R647-3-105 regarding the project location, the areas to be disturbed should be plotted on a map in sufficient detail so that they can be located on the ground. It is also required that the operator mark the proposed (5 acre or less) disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or with some other marker of equal effectiveness). Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(1)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new and existing notices of intention, and annually thereafter. Small Mining Notices require a \$100.00 annual fee.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon

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final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

Tom Munson

Senior Reclamation Specialist

Tom Munson

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Enclosure: SMO-1 Summary

cc: Larry Garahana, BLM, Fillmore FO

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